

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6143

BILL NUMBER: SB 46

NOTE PREPARED: Feb 27, 2008

BILL AMENDED:

SUBJECT: Environmental Restrictive Covenants.

FIRST AUTHOR: Sen. Gard

FIRST SPONSOR: Rep. Dvorak

BILL STATUS: Enrolled

FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: This bill provides that marketable record title to real property is subject to all interests of the Department of Environmental Management (IDEM) arising from the recording of a restrictive covenant under the environmental laws.

Effective Date: July 1, 2008.

Explanation of State Expenditures: Under existing law, IDEM might have a restrictive covenant on land that has been used for the disposal of hazardous waste that limits the use of the land until it is cleaned up. This restrictive covenant is recorded with the county recorder.

The proposal provides that restrictions by IDEM on marketable record titles are of concern for all real property and not just to land that has been used for the disposal of hazardous waste.

The overall impact of the proposal is indeterminable and would depend on the number and nature of future interests in marketable record titles on which IDEM has an interest. IDEM would have to record each covenant.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: IDEM.

Local Agencies Affected:

Information Sources:

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